

SWIFT BANKRUPTCY FACES N. E. ROADS

Desperate Condition of Boston
and Maine Is Cited as
Typical of All.

Some idea of the plight of the railroads, in consideration of the present wage scale now paid employees and the conditions under which the men are working by reason of the national emergency—a war time measure—may be gleaned from an investigation of the case of the Boston and Maine Railroad made by the New Hampshire Public Service Commission. The case arose from an application by the road to close twenty-four stations in New Hampshire because of lack of revenues. Protests were recorded in seven cases, and after a hearing, in which the condition of the road was thoroughly inquired into, the commission passed an order permitting the discontinuance of these stations.

Railroad men say that the information brought out by the New Hampshire commission is fairly typical of the condition under which all roads are working. The commission found that after paying, operating expenses and fixed charges, including interest and rental of leased lines, the following deficits were shown:

Deficit for September, 1920, \$38,320.
Deficit for October, 1920, 1,082,704.
Deficit for November, 1920, 1,773,031.

Total deficit, \$3,444,233.

The commission found that the road's freight rates had increased 101 per cent. and passenger rates 44 per cent. since 1915. "With this additional revenue due to rate increases, the query naturally arises: What has become of the money?" demanded the commission. The operating revenues for the year ended June 30, 1915, were \$46,672,048, as compared with the operating revenue for the adjusted year ended June 30, 1920, of \$101,923,000. Even 1915 to 1920 the operating revenue more than doubled, but the deficit increased from \$256,557 to \$4,638,879.

The commission remarked: "The natural inquiry is: Why does it cost so much more to operate the railroads than it did prior to the war? Those who advocate private ownership and operation of the railroads doubtless will contend that the present unsatisfactory financial condition of the railroads is due to the practices put into effect when the railroads were under Government control, which extended from December 28, 1917, to March, 1920.

"To a very large extent this is undoubtedly true. Of course the cost of materials, fuel, rentals of cars and taxes have increased during this term, and for these increases the Government cannot be held responsible. Labor costs, however, comprise 65 per cent. of the operating expenses. Over this item of expense the Government did have direct control, and it is interesting to note that the payroll chargeable to operating expenses for the year ended June 30, 1915, was \$21,974,695, while for the year ended June 30, 1920, it was \$60,281,449, making an increase of \$38,306,754, of which \$24,500,000 is due to increases in wages, the balance being due to 11 per cent. increase in the number of employees."

The commission found that the rule established by the Director-General of Railroads, and still in effect, of time and a half for overtime "placed a premium on lateness."

ERIC ROAD TO TRIM ITS WORKING FORCES

Continued from First Page.

agreeing that the farmers are on the side of the railroads in this problem. The farmers already are appealing to the Department of Agriculture to do what it can to induce the new Harding Government to force a definite conclusion between the roads and their men so that agriculturists may again begin shipping their produce at rates allowing a fair profit.

The railroad officials are saying that the country is about to become a combination of sections. They said that the present freight farmers who ship at all ship short distances and to the nearest markets regardless of the prices to be had in more distant markets. The rates between Kansas and New York, for instance, are so high that corn arrives in New York at a cost far in excess of the possible selling price. Therefore the farmers have decided to take minute profits or no profits rather than run into a sure loss.

Passenger rates are analyzed similarly. One day last week the Pennsylvania Railroad's crack trains between New York and Chicago, left Seventh avenue and Thirty-third street with just eleven passengers aboard. Naturally the trip was made at a great loss to the road. The Pennsylvania officials say that people are not traveling and that firms are not sending their road men out so frequently or for such long trips simply because the fares are enormous. This condition of affairs, the railroad officials say, is another contribution to the reason for the coming sectionalism of the country.

However, the workmen are not going to take the gift without a fight. From Samuel Gompers, president of the American Federation of Labor, down to Big Bill Maher, business agent of the local marine workers, the leaders of labor are not over sanguine of maintaining existing wages of common labor under prevailing conditions. The local marine workers employed by railroads declare they had never been notified that they will be required to take a decrease in pay, but expect some such proposition. What they intend doing remains to be seen after the labor board hands down its decision. Under the Esch-Cummins bill the eight hour day must remain as it stands. The only alternative is a reduction in wages.

This week the labor side of the controversy purposes starting its argument. Mass meetings will be called in all localities affected. To counteract statements issued by the railroads the labor leaders purpose issuing statements. As one leader leader put it:

"The public is about to have increased opportunity of becoming confused. We do not accuse the railroads of lying or disseminating misleading propaganda, and we shall not do so. But it is going to require all the public's attention and concentration to learn the whole truth."

From Flemington, N. J., yesterday came the news that the Delaware, Lackawanna and Western Railroad has lowered freight rates to dairymen in the upper Delaware River sector. The cut varies from two and one-half cents to seven cents a can and makes it possible now for New Jersey dairymen to compete with Pennsylvania and New York State shippers for the New York city milk business.

N. Y. WOMAN GOES TO JAIL.

LANCASTER, Pa., March 12.—Mrs. Mary Rettger Bennett of New York was sentenced to one year in the Lancaster county jail by Judge Landis here today. She was found guilty of obtaining a divorce by fraudulent methods at a recent term of court. A fine of \$100 and costs was imposed.

LABOR BOARD STANDS ON OLD WAGE AWARD

Reductions Held to Be Illegal
and Hearing Ordered.

CHICAGO, March 12.—Wages on the Atlantic, Birmingham and Atlantic were reduced by one-half of the increase granted to employees since December 31, 1917, following a court order to the receiver, B. L. Bugg, president of the road. The cut went into effect March 1.

To-day a ruling issued by the Labor Board takes the stand that the wage award of July, 1920, has been violated. "It is the legal duty of the carrier to pay the wages decided in decision No. 2," the ruling said, "until other rates of wages are agreed upon by the carrier and by duly authorized representatives of the employees or until such conference has been sought and denied and the dispute referred to this board for decision and decision rendered."

The board further stated that it was the legal duty of the employees "to exert every reasonable effort and find every available means to avoid any in-

terruption to operation" of the road. The employees, the ruling said, should confer with the carrier and if unable to reach an agreement refer the dispute to the board.

The board took the position that both the carriers and the employees have violated the board's mandate and, under the Transportation act, which empowers the board to take cognizance of any supposed violation of the law, has ordered the two parties before it for hearing. This hearing will take up only whether there has been a violation of the wage decision. Neither side has yet referred the wage dispute to the board since the wage cut.

BINGHAMTON PAPERS TO RESUME TO-MORROW

BINGHAMTON, March 12.—For three days residents of Binghamton have had to depend on bulletins posted in front of newspaper offices for news of world events. No efforts were made to issue papers to-day, but it is understood that publication of the Binghamton dailies will probably be resumed Monday. The organ of the striking printers appeared in eight page form this morning.

PACKERS ACCEPT CONFERENCE PLAN

Notify Secretary Davis They
Will Be Glad to Follow His
Suggestion.

CHICAGO, March 12.—After an all day discussion by heads of the packing industry a telegram was sent to James J. Davis, Secretary of Labor, at Washington, accepting his suggestion that they send two representatives to confer with him and two representatives of the employees regarding the present situation in the industry.

The telegram, which was signed by Armour & Co., said: "Your message received. Will be glad to follow your suggestion."

A statement given out at the same time that the telegram was made public contains the following: "We assume that the justice and necessity of wage cuts

will not be at issue. Nor can there justly be an issue on the matter of hours."

Secretary Davis's offer of personal mediation in an effort to avert a threatened strike in the industry also was accepted by the union leaders. Dennis Lane of the Amalgamated Meat Cutters and Butcher Workmen of North America, sending the following telegram to the head of the Federal Labor Department: "It has always been and is the policy of our organization to cooperate with all Governmental agencies. We accept your tender of services to work out a solution of the present situation which has been brought about by the deliberate and arbitrary violation and repudiation by the five big packers of the agreement now in existence between your department, our and other labor organizations and the packers."

"We note that you specify no date for conference, and we have information that the packers contemplate taking advantage of that fact. This and the other organizations who are parties to the agreement between your department and the packers will arrange to select representatives to attend a conference when you set a date. We respectfully suggest that such a conference be held in Washington next Friday, March 18, as we have a conference arranged here

for the 14th inst. of all trades involved."

The statement issued by the packers makes no mention of the war time arbitration agreement which was cancelled by them on February 26, and says regarding the recently announced reductions of wages and readjustment of working hours that "except through such measures as we have adopted the possibility of industrial difficulties that might close our plants would stare us in the face."

"The nation's insistence on a return to normal and its refusal to pay war prices in peace times have caused the prices of our products in the aggregate to drop to what are practically prewar levels. This has forced the price of live stock down to a point which threatens the very existence of the live stock industry. Our own business has been conducted at a loss for two years, but all that time our operating expenses remained at the war time peak. Wage reductions therefore are not a matter of choice—they are essential not only from the employers' standpoint but from the standpoint of live stock producers, who are having to bear with us the losses involved."

"We assume that the justice and necessity of wage cuts will not be at issue. Nor can there justly be an issue on the matter of hours. These companies are

not responsible for the day by day fluctuations in livestock receipts—fluctuations illustrated by the fact that on some days there have been less than 1,000 cattle on the Chicago market, while on other days there are as many as 49,000. It is obvious that a work day of a definite number of hours cannot meet such conditions. There are bound to be days when employees will work only a few hours just as there will be days when they cannot take care of the run in eight hours."

"The basic eight hour day was not a measure for determining the actual working hours. It simply served to penalize work in excess of eight hours and provided no offset for work of less than eight hours. Any adjustment of wages that requires extra pay for less than forty-eight hours' work per week—unless that work is performed at unusual hours—is an unjust tax on the business which the public eventually has to pay. "Our plan contemplates giving the men forty-eight hours' work a week, and does not contemplate reducing our present work forces and thereby adding to the great numbers of men out of employment."

Meanwhile the strike ballots are on their way to every local union in the country, and the vote will be taken next Wednesday.

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OF GOYA THE SPANISH PAINTER FORM THE
GRAND THEME OF THE PARIS COUTURIERS

When the Moors invaded Spain their Arts and Crafts brought about her Renaissance. And Spain of the Middle Ages became the cultural centre of the world. Alcazars of great structural beauty were reared to the skies, while nobles of the more northern peoples lived in smoke-blackened stone piles. Spain wore silks and brocades of finest texture, while coarse homespuns clothed most of the rest of the world.

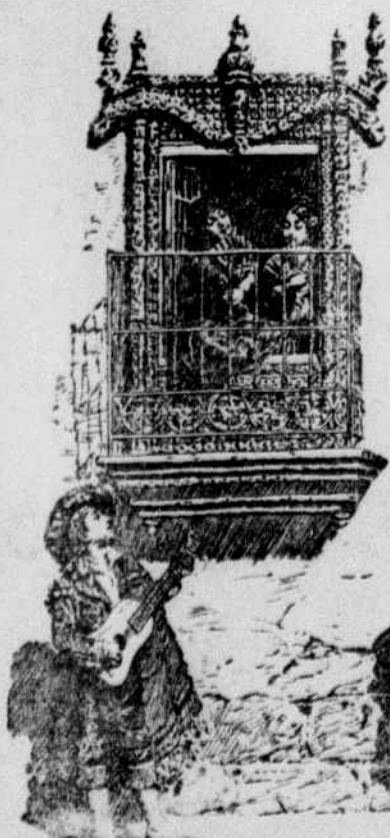
This brilliant period of history—the Moyen Age of Spain, with its elegancies and its stateliness of dress—is a dominating influence in the Paris gown fashions.

At a later date came the great Spanish painter, Francisco de Goya, whose masterful paintings of women in the dress of his period again influence the Paris gown modes, giving a further impetus to the Spanish style-movement.

Two Distinct Exhibits are on View—One in the
Women's Dept., French Room—Second Floor—the
other in the Misses' Dept., French Room—Third Floor

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